

RESOLUTION NO. 3327

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RED LODGE, MONTANA  
ADOPTING A SPENDING POLICY.

WHEREAS, the State of Montana MCA 2-7-504(2) requires accounting methods to be in accordance with generally accepted accounting principles established by the governmental accounting standards board; and

WHEREAS, GASB 54 statement released by GASB (General Accounting Standards Board) requires the adoption of a spending policy:

BE IT RESOLVED, that the Red Lodge City Council hereby adopts the following:

**General Fund**

The City of Red Lodge receives inflows from revenue and other financing sources from numerous sources for use in the General Fund. The Fund will expend those resources on multiple purposes of the local government the intention of this spending policy is to identify the expenditure order of resource categories for the General Fund. Resources will be categorized according to Generally Accepted Accounting Principles (GAAP) for state and local governments. When both restricted and unrestricted resources are available in the General Fund, the following spending policy will apply;

- 1<sup>st</sup> Restricted
- 2<sup>nd</sup> Committed
- 3<sup>rd</sup> Assigned
- 4<sup>th</sup> Unassigned

The City Council, the Mayor, and the Clerk/Treasurer, individually have the authority to express assignments in the General Fund.

**All Special Revenue Funds**

The City of Red Lodge received inflows from revenue and other financing sources from various sources for use in Special Revenue Funds. Special Revenue Funds will expend those resources on the specific purpose of the fund. The intention of this spending policy is to identify the expenditure order of resource categories for all Special Revenue Fund. Resources will be categorized according to Generally Accepted Accounting Principles (GAAP) for state and local governments. When both restricted and unrestricted resources are available in a Special Revenue Fund, the following spending policy will apply;

- 1<sup>st</sup> Restricted
- 2<sup>nd</sup> Committed
- 3<sup>rd</sup> Assigned

The City Council, the Mayor and the Clerk/Treasurer, individually have the authority to express assignments in Special Revenue Funds.

PASSED AND APPROVED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR OF  
THE CITY OF RED LODGE, MONTANA, THIS 28<sup>TH</sup> DAY OF JUNE, 2011.



Brian C. Roat, Mayor

ATTEST:



Debbie Tomicich, City Clerk